ORIGINAL



BEFORE THE ARIZONA CORPORATION COMMISSION

WILLIAM A. MUNDELL CHAIRMAN

JIM IRVIN

SERVICES

COMMISSIONER

MARC SPITZER

COMMISSIONER

DPI-TELECONNECT, L.L.C. FOR A

CERTIFICATE OF CONVENIENCE AND

EXCHANGE TELECOMMUNICATIONS

NECESSITY TO PROVIDE COMPETITIVE RESOLD LOCAL EXCHANGE AND INTER-

IN THE MATTER OF THE APPLICATION OF

2001 JUL -6 P 4: 19

AZ CORP COMMISSION DOCUMENT CONTROL

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Docket No. T-03666A-98-0691 Arizona Corporation Commission DOCKETED

JUL 06 2001

DOCKETED BY

MOTION TO RESCIND DECISION NO. 63587 AND REOPEN APPLICATION OR, IN THE ALTERNATIVE, TO OPEN A NEW DOCKET

Pursuant to A.R.S. § 40-252, dPi-Teleconnect, L.L.C. ("dPi") requests the Commission to rescind Decision No. 63587, which denied dPi's application for a competitive telecommunications CC&N, and to reopen that application in this docket. dPi's application was denied for failure to respond to a request for information by Commission Staff. However, due to administrative errors by dPi's outside counsel's former law firm, dPi was unaware of those requests. In the alternative, dPi requests that the Commission open a new docket to process dPi's application for a CC&N. In support of this motion, dPi states:

1. On December 9, 1998, dPi filed an application to provide competitive resold local exchange and interexchange telecommunications services in Arizona. The application was filed on behalf of dPi by Kyle Dickson, a lawyer with Maxwell Baker & McFatridge in Texas.

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- 2. Subsequent to the filing of the application, Mr. Dickson left his law firm. However, Mr. Dickson agreed to continue to assist dPi with its application and arranged to have his former law firm forward his mail to him.
- 3. On June 1, 2000, Commission Staff sent a letter to Mr. Dickson at his former law firm's address in League City, Texas, stating that: (i) the legal notice that had been published was inadequate and proper notice needed to be published and (ii) Staff required some additional information on the application. The letter was not sent to anyone at dPi.
- 4. For some reason, Staff's June 1, 2000 letter was not forwarded to Mr. Dickson by his former law firm. As a result, dPi was unaware of Staff's letter and did not respond to Staff's requests.
- 5. On September 25, 2000, due to dPi's lack of response, Staff prepared a Staff Report recommending that the application be denied without hearing. According to the service list (and a returned envelope in this docket's file) that Staff Report apparently was mailed only to a previous address of Mr. Dickson's former law firm (an address in Houston, not League City) and was returned due to an expired forwarding order. The Staff Report was not mailed to anyone at dPi. Thus, dPi was unaware of the Staff Report.
- 6. In response to the Staff Report, the Commission's Hearing Division issued a procedural order on November 17, 2000, requiring dPi to file exceptions to the Staff Report or request a hearing. According to the service list, this procedural order was mailed only to Mr. Dickson's former law firm and apparently was not forwarded to Mr. Dickson. The procedural order was not mailed to anyone at dPi. As a result, dPi was not aware of the procedural order and did not respond.
- 7. Due to dPi's lack of response, the Hearing Division prepared a proposed order denying the application. Again, according to the service list, the proposed order was mailed only to Mr. Dickson's former law firm and apparently was not forwarded. The proposed order also was not mailed directly to anyone at dPi. Again, dPi was unaware of

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the proposed order and did not respond.

- 8. At the April 17, 2001 Open Meeting, this Commission approved the proposed order denying application (Decision No. 63587). According to the service list, the decision was mailed only to Mr. Dickson's former law firm and apparently was not forwarded to Mr. Dickson. The decision was not mailed to dPi.
- 9. dPi became aware of Decision No. 63587 when David Pikoff of dPi called the Commission in June 2001 to inquire about certain reporting requirements. He was told that dPi's CC&N application had been denied.
- 10. Decision No. 63587 is the first instance in which dPi has had an application denied by a public utility commission. In light of the underlying administrative errors causing the denial – and not because of any improper action by dPi itself – dPi respectfully requests that Decision No. 63587 be rescinded and that its application be reopened in this docket. As this Commission knows, most public utility commissions inquire about other PUC denials in connection with various applications. Decision No. 63587 is the lone mark on dPi's otherwise commendable record and dPi would prefer not to have to explain the unfortunate administrative circumstances underlying the decision every time it files an application.
- 11. Staff's request for information was not burdensome and dPi certainly would have responded promptly had it been aware of the request. Set forth below is the information requested by Staff in its June 1, 2000 letter:
 - A. dPi's customers are required to pay monthly charges in advance. dPi's customers typically are those customers who cannot obtain local exchange service from the local incumbent carrier due to credit problems. dPi provides a valuable service to such customers, but does require monthly payments in advance.
 - B. dPi resells Qwest's local exchange service in Arizona.
 - C. dPi resells *only* local exchange service. Contrary to the

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application information, dPi does not seek authority to provide resold interexchange service. In fact, part of dPi's service includes blocking of toll numbers (such as long distance, 1-900 numbers, etc.). Therefore, dPi will not have an interexchange service tariff in Arizona.

- D. Attached as Exhibit 1 is dPi's local exchange tariff, which includes both offered and maximum rates.
- 12. Within twenty (20) days after ruling on this motion, dPi will publish proper notice of its application.
 - 13. dPi requests that communications concerning this docket be provided to:

Michael W. Patten, Esq. ROSHKA HEYMAN & DEWULF, P.L.C. Two Arizona Center 400 North 5th Street, Suite 1000 Phoenix, Arizona 85004-3906 telephone: 602/256-6100

fax: 602/256-6800

email: mpatten@rhd-law.com

Mr. David Pikoff DPI TELECONNECT, L.L.C. 2997 LBJ Freeway, Suite 225 Dallas, Texas 75234

telephone: 972/488-5500 x-4002

fax: 972/488-8636

email: Dpikoff@dpiteleconnect.com

WHEREFORE, dPi requests that the Commission grant this motion, rescind Decision No. 63587 and reopen dPi's application in this docket. In the alternative, dPi requests that the Commission open a new docket to process dPi's application to provide resold local exchange service in Arizona.

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July 6, 2001. 1 2 3 4 5 6 7 8 9 10 ORIGINAL and 10 COPIES filed July 6, 2001, with: 11 **Docket Control** 12 ARIZONA CORPORATION COMMISSION 13 1200 West Washington Street Phoenix, Arizona 85007 14 15 **COPIES** hand-delivered July 6, 2001, to: 16 Lyn A. Farmer, Esq. 17 Chief Administrative Law Judge Hearing Division 18 ARIZONA CORPORATION COMMISSION 1200 West Washington Street 19 Phoenix, Arizona 85007 20 Christopher Kempley, Esq. 21 Chief Counsel, Legal Division ARIZONA CORPORATION COMMISSION 22 1200 West Washington Street Phoenix, Arizona 85007 23 24 25

DPI-TELECONNECT, L.L.C.

Michael W. Patten
ROSHKA HEYMAN & DEWULF, PLC
Two Arizona Center
400 North 5th Street, Suite 1000
Phoenix, Arizona 85004
phone 602/256-6100

ROSHKA HEYMAN & DEWULF, PLC

Deborah R. Scott, Esq. Director, Utilities Division ARIZONA CORPORATION COMMISSION 1200 West Washington Street Phoenix, Arizona 85007

Denie Hohnton

DPI-TELECONNECT, L.L.C.

REGULATIONS AND SCHEDULE OF INTRASTATE CHARGES
APPLYING TO LOCAL EXCHANGE SERVICES
WITHIN THE STATE OF ARIZONA

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CHECK SHEET

Sheets of this Tariff are effective as of the date shown at the bottom of the respective sheet(s). Original and revised sheets, as named below, comprise all changes from the original Tariff that are currently in effect as of the date on the bottom of this sheet.

	NUMBER OF REVISION	EFFECTIVE
SHEET	(Except as indicated)	DATE
1	Original	
2	Original	
3	Original	
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EXPLANATION OF SYMBOLS, REFERENCE MARKS, AND ABBREVIATIONS OF TECHNICAL TERMS USED IN THIS IN THIS TARIFF

The following symbols shall be used in this tariff for the purpose indicated below:

C	_	To signify changed regulation.
	-	10 Signify Changed regulation.

D - To signify discontinued rate or regulation.

I - To signify increased rate.

M - To signify a move in location of text.

N - To signify new rate or regulation.

R - To signify reduced rate.

S - To signify reissued matter.

T - To signify a change in text but no change in rate or regulation.

TARIFF FORMAT

- A. <u>Sheet Numbering</u> Sheet numbers appear in the upper-right corner of the sheet. Sheets are numbered sequentially. However, new sheets are occasionally added to the Tariff. When a new sheet is added between sheets already in effect, a decimal is added. For example, a new sheet added between Sheet 14 and 15 would be 14.1.
- B. Sheet Revision Numbers Revision numbers also appear in the upper-right corner of the sheet. These numbers are used to determine the most current sheet version on file with the Commission. For example, the 4th revised Sheet 14 cancels the third revised Sheet 14. Because of various suspension periods, deferrals, etc. the Commission follows in their Tariff approval process, the most current sheet number on file with the Commission is not always the Tariff page in effect.
- C. <u>Paragraph Numbering Sequence</u> There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level of coding.
- 2.
- 2.1.
- 2.1.1.
- 2.1.1.A.
- 2.1.1.A.1.
- 2.1.1.A.1.(a).
- 2.1.1.A.1.(a).I.
- 2.1.1.A.1.(a).I.(i).
- 2.1.1.A.1.(a).I.(i).(1)

APPLICATION OF TARIFF

This tariff sets forth the service offering, rates, terms and conditions applicable to the furnishing of intrastate communications services by DPI-Teleconnect, L.L.C. (hereinafter "Company"). This tariff is on file with the Arizona Corporation Commission, ("Commission"), and copies can be inspected, during normal business hours, at Company's principal place of business.

SECTION 1 - DEFINITIONS

Certain terms used generally throughout this tariff are defined below.

Account Number: Customer's telephone number is his/her account number.

Advance Payment: Payment of all or part of a charge required before the start of service.

<u>Application for Service</u>: A standard order form which includes all pertinent billing, technical, and other descriptive information which will enable Company to provide telecommunication service.

<u>Authorized User</u>: A person that either is authorized by the Customer to use local exchange telephone service at Customer's residence or other location, or is placed in a position by the Customer, either through acts or omissions, to use local exchange telephone service.

<u>Authorized Code</u>: A numerical code, one or more of which are assigned to Customer to enable Company to identify use of service on his or her account and to bill Customer accordingly for such service. Multiple authorization codes may be assigned to Customer to identify individual users or groups of users on his or her account.

Commission: Arizona Corporation Commission unless content indicates otherwise.

Company: DPI-Teleconnect, L.L.C., a Delaware Limited Liability Company, the issuer of this tariff.

<u>Customer</u>: The person, firm, corporation or entity which orders service, uses and/or is responsible for the payment of charges and for compliance with the Company's tariff regulations.

<u>Customer-Provided Equipment</u>: Terminal equipment, as defined herein, provided by Customer.

<u>Demarcation Point</u>: The premises wire demarcation point begins where the Customer's inside wire connects to the intrabuilding network cable (INC). Where there is no INC, the demarcation point is the point of entry at Company's entrance facility. This demarcation point separates the responsibility of the end user from that of a vendor or Company's vendor of choice for premises wire repair and Customer Provided Equipment trouble isolation.

SECTION 1 - DEFINITIONS (continued)

<u>Disconnection</u>: The disconnection of a circuit, dedicated access line, or port connection being used for existing service.

<u>Individual Case Basis:</u> A service arrangement in which the regulations, rates and charges are developed based on the specific circumstances of the Customer's situation.

<u>Local Calling</u>: A completed call or telephone communication between a calling Station and any other Station within the local service area of the calling Station.

<u>Local Service</u>: Service which provides for exchange telephone communication within the local service area at rates and under regulations as provided in this Tariff.

<u>Local Service Area</u>: That area within which a Customer to exchange service can make telephone calls at exchange rates. A local service area may be made up of one or more central office areas or exchange areas.

Non-Recurring Charges: The one-time initial charges for services or facilities, including but not limited to charges for processing and installation, for which the Customer becomes liable at the time the Service Order is executed.

SECTION 1 - DEFINITIONS (continued)

<u>Premises</u>: Customer premises is all space in the same building occupied by a Customer and all space occupied by the same Customer in different buildings or continuous property.

(<u>Premises</u>) <u>Inside Wire</u>: Inside (premises) wire (simple wire) refers to all non system inside (premises) telephone wire on the Customer's side of the inside wire demarcation point but does not include Customer premises equipment.

<u>Recurring Charges</u>: The monthly charges to the Customer for services, facilities and/or equipment, which continue for the agreed upon duration of the service.

Service Commencement Date: The first day following the date on which the Company notifies the Customer that the requested service or facility is available for use, unless extended by the Customer's refusal to accept service which does not conform to standards set forth in the Service Order or this tariff, in which case the Service Commencement Date is the date of the Customer's acceptance of service. The parties may mutually agree on a substitute Service Commencement Date.

Service Order: The written request for local exchange services executed by the Customer and the Company in a format specified by the Company. The signing of a Service Order by the Customer and acceptance thereof by the Company initiates the respective obligations of the parties as set forth therein and pursuant to this tariff, but the duration of the service is calculated from the Service Commencement Date. Service Order may also be referred to as Customer Service Agreement.

Services: The Company's local telecommunications services offered to the Customer within the State of Arizona.

Speed Dial: Provides a User with the option to call selected directory numbers by dialing a one or two-digit code.

Station: Telephone equipment from or to which calls are placed.

<u>Trunk</u>: A communications path connecting two switching systems in a network, used in the establishment of an end-to-end connection.

User: A Customer or any other person authorized by the Customer to use Services provided under this tariff.

SECTION 2 - REGULATIONS

2.1 Undertaking of the Company

2.1.1 Scope

- 2.1.1.A The Company undertakes to furnish intrastate telecommunications services within the State of Arizona under the terms of this tariff as a reseller. Service is available 24 hours a day, seven days a week.
- 2.1.1.B The Company is responsible under this tariff only for the services and facilities provided herein. Should Customers use such services and facilities to obtain access to services offered by other providers, the Company assumes no responsibility for such other service.

2.1.2 Shortage of Equipment or Facilities

- 2.1.2.A The Company reserves the right to limit or allocate the use of existing facilities, or of additional facilities offered by the Company when necessary because of lack of facilities or due to some other cause beyond the Company's control.
- 2.1.2.B The furnishing of service under this tariff is subject to availability on a continuing basis of all necessary facilities from the Incumbent Local Exchange Carrier or other providers to the Company for resale.

2.1.3 Terms and Conditions

- 2.1.3.A Except as otherwise provided herein, the minimum period of service is one month (30 days). All payments for service are due in advance on the date specified by the Company. Service may be discontinued after notice if a Customer's account is not paid in full on the due date. All calculations of dates set forth in this tariff shall be based on calendar days. Should the applicable date fall on a Sunday or Federal holiday, the Customer will be permitted to make payment on the next regular business day.
- 2.1.3.B At the expiration of any term specified in a Customer Service Agreement, or in any extension thereof, service shall continue on a month to month basis at the then current rates unless terminated by either party upon 5 days written notice. Any termination shall not relieve Customer of its obligation to pay any charges incurred under the

2.1.3 Terms and Conditions (Cont'd)

Agreement and this tariff prior to termination. The rights and obligations which by their nature extend beyond the termination of the term of the Agreement shall survive such termination.

- 2.1.3.C This tariff shall be interpreted and governed by the laws of the State of Arizona.
- 2.1.3.D Another telephone company must not interfere with the right of any person or entity to obtain service directly from the Company.
- 2.1.3.E The Customer has no property right to the telephone number or any other call number designation associated with services furnished by the Company. The Company reserves the right to change such numbers, or the central office designation associated with such numbers, or both, assigned to the Customer, whenever the Company deems it necessary to do so in the conduct of its business. The Company will give the Customer at least sixty (60) days written notice of any proposed change.

2.1.4 Liability of the Company

- 2.1.4.A The liability of the Company for damages arising out of the furnishing of its services, including but not limited to mistakes, omissions, interruptions, delays, or errors, other defects, or representations by the Company, or use of these services or damages arising out of the failure to furnish the service whether caused by acts or omission, shall be limited to the extension of allowances for interruptions as set forth in Section 2.6 below. The extension of such allowances for interruption shall be the sole remedy of the Customer and the sole liability of the Company. The Company will not be liable for any direct, indirect, incidental, special, consequential, exemplary or punitive damages to Customer as a result of any Company service, equipment or facilities, or the acts or omissions or negligence of the Company's employees or agents.
- 2.1.4.B The Company's liability for willful misconduct, if established as a result of judicial or administrative proceedings, is not limited by this tariff. With respect to any other claim or suit, by a Customer or by others, for damages associated with the ordering (including the reservation of any specific number for use with a service), installation (including delays thereof), provision, termination, maintenance, repair, interruption or restoration of any service or facilities offered under this tariff, and subject to the provisions of

2.1.4 Liability of the Company (Cont'd)

Section 2.6, the Company's liability, if any, shall be limited as provided herein.

- 2.1.4.C The Company shall not be liable for any delay or failure of performance or equipment due to causes beyond its control, including but not limited to: acts of God, fire, flood, explosion or other catastrophes; and law, order, regulation, direction, action or request of the United States government or of any other government, including state and local governments having or claiming jurisdiction over the Company, or of any department, agency, commission, bureau, corporation or other instrumentality of any one or more of these federal, state, or local governments, or of any military authority; preemption of existing service in compliance with national emergencies; insurrections; riots; wars; unavailability of rights-of-way or materials, or strikes, lockouts, work stoppages, or other labor difficulties.
- 2.1.4.D The Company shall not be liable for: (a) any act or omission of any entity furnishing the Company or the Company's Customers facilities or equipment used for or with the services the Company offers; or (b) for the acts or omissions of other common carriers or local exchange companies.
- 2.1.4.E The Company shall not be liable for any damages or losses due to the fault or negligence of, or any omission by, the Customer or due to the failure or malfunction of Customer-provided equipment or facilities.
- 2.1.4.F The Customer shall indemnify and hold the Company harmless from any and all loss, claims, demands, suits or other action, or any liability whatsoever, whether suffered, made, instituted, or asserted by any other party or person(s), and for any loss, damage, or destruction of any property, whether owned by the Customer or others, caused or claimed to have been caused directly or indirectly by the installation, operation, failure to operate, maintenance, removal, condition, location or use of any installation provided by the Company excluding attorney's fees. The Company reserves the right to require each Customer to sign an agreement acknowledging acceptance of the provisions of this section as a condition precedent to such installations.
- 2.1.4.G The Company shall not be liable for any defacement of or damage to Customer premises resulting from the furnishing of services of equipment on such premises or the

2.1.4. Liability of the Company (Cont' d)

installation or removal thereof, unless such defacement or damage is caused by gross negligence or willful misconduct of the Company's agents or employees. No agents or employees of other participating carriers shall be deemed to be agents or employees of the Company.

- 2.1.4.H Notwithstanding the Customer's obligations as set forth in Section 2.3.2, the Company shall be indemnified, defended, and held harmless by the Customer or by others authorized by it to use the service against any claim, loss or damage arising from Customer's use of services furnished under this tariff, including:
 - 1. Claims for defamation libel, slander, invasion of privacy, infringement of copyright, unauthorized use of trademark, trade name, or service mark, unfair competition; interference with or misappropriation, or violation of any contract, proprietary or creative right, or any other injury to any proprietary or creative right, or any other injury to any person, property, or entity arising from the material, data, information, or content, revealed to, transmitted, processed, handled, or used by the Company under this tariff;
 - 2. patent infringement claims arising from combining or connecting the service offered by the Company with apparatus and systems of the Customer or others; and
 - 3. all other claims arising out of any act or omission of the Customer or others, in connection with any service provided by the Company pursuant to this tariff.
- 2.1.4.I The entire liability of the Company for any claim, loss, damage or expense from any cause whatsoever shall in no event exceed sums actually paid to the Company by the Customer for the specific services giving rise to the claim.
- 2.1.4.J THE COMPANY MAKES NO EXPRESS WARRANTIES OR REPRESENTATIONS, EXCEPT THOSE EXPRESSLY SET FORTH HEREIN.

2.1.4. Liability of the Company, (Cont'd)

- 2.1.4.K The Company shall not be liable for any act or omission of any other company or companies furnishing a portion of the service, or for damages associated with service, channels, or equipment which it does not furnish, or for damages which result from the operation of Customer-provided systems, equipment, facilities or services which are interconnected with Company services.
- 2.1.4.L No agent or employee of any other carrier shall be deemed to be an agent or employee of the Company.
- 2.1.4.M With respect to Emergency Number 911 Service:
 - 1. This service is offered as an aid in handling assistance calls in connection with fire, police and other emergencies. The Company is not responsible for any losses, claims, demands, suits or any liability whatsoever, whether suffered, made, instituted or asserted by the Customer or by any other party or person for any personal injury to or death of any person or persons, and for any loss, damage or destruction of property, whether owned by the Customer or others, caused or claimed to have been caused by: (1) mistakes, omissions, interruptions, delays, errors or other defects in the provision of this service, or (2) installation, operation, failure to operate, maintenance, removal, presence, condition, location or use of any equipment and facilities furnishing this service.
 - 2. Neither is the Company responsible for any infringement or invasion of the right of privacy of any person or persons, caused or claimed to have been caused, directly or indirectly, by the installation, operation, failure to operate, maintenance, or occasion by the use of Emergency 911 service features and the equipment associated therewith, or by any services furnished by the Company, including, but not limited to, the identification of the telephone number, address or name associated with the telephone used by the party or parties accessing Emergency 911 service, and which arise out of the negligence or other wrongful act of the Company, the Customer, its Users, agencies or municipalities, or the employees or agents of any one of them.

2.1.4 Liability of the Company, (Cont'd)

- 2.1.4.N The Company's liability arising from errors or omissions in Directory Listings, other than charged listings, shall be limited to the amount of actual impairment to the Customer's service and in no event shall exceed one-half the amount of the fixed monthly charges applicable to exchange service affected during the period covered by the directory in which the error or omission occurs. In cases of charged Directory Listings, the liability of the Company shall be limited to an amount not exceeding the amount of charges for the charged listings involved during the period covered by the directory in which the error or omission occurs. The Company will provide the Customer at no charge intercept service of the wrong number when possible.
- 2.1.4.O In conjunction with a non-published telephone number, the Company will not be liable for failure or refusal to complete any call to such telephone when the call is not placed by the number. The Company will try to prevent the disclosure of the number of such telephone, but will not be liable should such number be divulged.
- 2.1.4.P When a Customer with a non-published telephone number places a call to the Emergency 911 Service, the Company will release the name and address of the calling party, where such information can be determined to the appropriate local governmental authority responsible for the Emergency 911 Service upon request of such governmental authority. By subscribing to service under this tariff, Customer acknowledges and agrees with the release of information as described above.

2.1.5 Notification of Service-Affecting Activities

The Company will provide the Customer reasonable notification of service-affecting activities that may occur in normal operation of its business. Such activities may include, but are not limited to, equipment or facilities additions, removals or rearrangements and routing and preventive maintenance. Generally, such activities are not specific to an individual Customer but affect many Customer's services. No specific advance notification period is applicable to all service activities. The Company will work cooperatively with the Customer to determine the reasonable notifications requirements. With some emergency or unplanned service-affecting conditions, such as outage resulting from cable damage, notification to the Customer may not be possible.

2.1.6 Provision of Equipment and Facilities

- 2.1.6.A The Company shall use reasonable efforts to make available services to a Customer on or before a particular date, subject to the provisions of and compliance by the Customer with, the regulations contained in this tariff and applicable state rules and regulations.
- 2.1.6.B The Company shall use reasonable efforts to maintain facilities that it furnishes to the Customer. The Customer may not, nor may the Customer permit others except the Incumbent Local Exchange Carrier to, rearrange, disconnect, remove, attempt to repair or otherwise interfere with any of the facilities installed by the Company, except upon written consent of the Company.
- 2.1.6.C The Company shall not be responsible for the installation, operation, or maintenance of any Customer provided communications equipment. Where such equipment is connected to the facilities furnished pursuant to this tariff, the responsibility of the Company shall be limited to the furnishing of facilities offered under this tariff and to the maintenance and operation of such facilities. Beyond this responsibility, the Company shall not be responsible for:
 - 1. the transmission of signals by Customer provided equipment or for the quality of, or defects in, such transmission or
 - 2. the reception of signals by Customer provided equipment; or
 - network control signaling where such signaling is performed by Customerprovided network control signaling equipment.

2.1.7 <u>Non-routine Installation</u>

At the Customer's request, installation and/or maintenance may be performed outside Company's regular business hours or in hazardous locations. In such cases, charges based on the cost of the actual labor, material, or other costs incurred by or charged to the Company will apply. If installation is started during regular business hours into time periods including, but not limited to, weekends, holidays, and/or night hours, additional charges may apply.

2.1.8 Ownership of Facilities

Title to all facilities provided in accordance with this tariff remains in the Company, its agents or contractors or the Incumbent Local Exchange Carrier.

2.2 Prohibited Uses

2.2.1 The services the Company offers shall not be used for any unlawful purposes or for any use as to which the Customer has not obtained all required governmental approvals, authorizations, licenses, consents and permits. Services also may not be used for any purpose for which any payment or other compensation is received by the Customer except when the Customer is a duly authorized regulated common carrier. This provision does not prohibit an arrangement between the customer, authorized user, or joint user to share the cost of the service as long as the arrangement generates no profit for any participant in the arrangement.

2.3 Obligations of the Customer

2.3.1 General

The Customer shall be responsible for:

A. placing orders for service.

When placing an order for service, Customer must provide:

- 1. the name(s) and address(es) of the person(s) responsible for the payment of service charges; and
- 2. The name(s), telephone number(s), and address(es) of the Customer contact person(s).
- B. The payment of all applicable charges pursuant to this tariff.

2.3. Obligations of the Customer (Cont'd)

2.3.1. General (Cont'd)

- C. reimbursing the Company for damages to, or loss of, the Company's facilities or equipment caused by the acts or omissions of the Customer; or thenoncompliance by the Customer, with these regulations; or by fire or theft or other casualty on the Customer's premises, unless caused by the negligence or willful misconduct of the employees or agents of the Company. The Company will, upon reimbursement for damages, cooperate with the Customer in prosecuting a claim against the person causing such damage and the Customer shall be subrogated to the Company's right of recovery of damages to the extent of such payment.
- D. providing at no charge, as specified from time to time by the Company, any needed personnel, equipment, space and power to operate Company facilities and equipment installed on the premises of the Customer, and the level of heating and air conditioning necessary to maintain the operating environment on such premises;
- E. obtaining, maintaining, and otherwise having full responsibility for all rights-of-way and conduit necessary for installation of fiber optic cable and associated equipment used to provide local exchange service to the Customer from the cable building entrance or property line to the location of the equipment space described in 2.3.1.D. Any costs associated with obtaining and maintaining the rights-of-way described herein, including the costs of altering the structure to permit installation of the Company-provided facilities, shall be borne entirely by, or may be charged by the Company to, the Customer. The Company may require the Customer to demonstrate its compliance with this section prior to accepting an order for service;
- F. providing a safe place to work and complying with all laws and regulations regarding the working conditions on the premises at which Company employees and agents shall be installing or maintaining the Company's facilities and equipment. The Customer may be required to install and maintain Company facilities and equipment within a hazardous area if, in the Company's opinion, injury or damage to the Company's employees or property might result from

2.3. Obligations of the Customer (Cont'd)

2.3.1. General (Cont'd)

installation or maintenance by the Company. The Customer shall be responsible for identifying, monitoring, removing and disposing of any hazardous material (e.g. friable asbestos) prior to any construction or installation work.

- G. complying with all laws and regulations applicable to, and obtaining all consents, approvals, licenses and permits as may be required with respect to, the location of Company facilities and equipment in any Customer premises or the rights-of-way for which Customer is responsible under section 2.3.1.D above; and granting or obtaining permission for Company agents or employees to enter the premises of the Customer at any time for the purpose of installing, inspecting, maintaining, repairing, or upon termination of service as stated herein, removing the facilities or equipment of the Company;
- H. not creating or allowing to be placed or maintained any liens or other encumbrances on the Company's equipment or facilities; and
- I. making Company facilities and equipment available periodically for maintenance purposes at a time agreeable to both the Company and the Customer. No allowance for interruptions in service will be made for the period during which service is interrupted for such purposes.

2.3.2 Claims

With respect to any service or facility provided by the Company, Customer shall indemnify, defend and hold harmless the Company from all claims, actions, damages, liabilities, costs and expenses, including reasonable attorney's fees for:

A. any loss, destruction or damage to property of the Company or any third party, or the death of or injury to persons, including, but not limited to, employees or invitees of either the Company or the Customer, to the extent caused by or resulting from negligent or intentional act or omission of the Customer, its employees, agents, representatives or invitees; or

2.3. Obligations of the Customer (Cont'd)

2.3.2 Claims (Cont'd)

B. any claim, loss damage, expense or liability for infringement of any copyright, patent, trade secret, or any proprietary or intellectual property right of any third party, arising from any act or omission by the Customer, including, with limitation, use of the Company's services and facilities in a manner not contemplated by the agreement between the Customer and the Company.

2.4 Customer Equipment and Channels

2.4.1 Interconnection of Facilities

- 2.4.1.A Services furnished by the Company may be connected to the services or facilities of other authorized communications carriers only when authorized by, and in accordance with, the terms and conditions of the tariffs of the other communications carriers which are applicable to such connections. Service furnished by the company is not part of a joint undertaking with such other carriers.
- 2.4.1.B Any special interface equipment necessary to achieve compatibility between the facilities and equipment of the Company used for furnishing local exchange service and the channels, facilities, or equipment of others may be provided at the Customer's expense.
- 2.4.1.C Facilities furnished under this tariff may be connected to Customer provided terminal equipment in accordance with the provision of this tariff.
- 2.4.1.D The Customer is responsible for taking all necessary legal steps for interconnecting his or her customer provided terminal equipment of communications systems with Company's facilitates. Customers shall secure all licenses, permits, rights-of-way, and other arrangements necessary for such interconnections.

2.4.2 Inspections

2.4.2.A Upon reasonable notification to the Customer, and at a reasonable time, the Company may make such tests and inspections as may be necessary to determine that the Customer is complying with the requirements set forth herein for the installation,

2.4. Customer Equipment and Channels (Cont'd)

2.4.2 Inspections (Cont'd)

operation, and maintenance of any Customer-provided facilities and equipment to any Company-owned facilities and equipment. No credit will be allowed for any interruptions occurring during such inspections.

2.4.2.B If the protective requirements for Customer-provided equipment are not being complied with, the Company may take such action as it deems necessary to protect its facilities, equipment and personnel. The Company will notify the Customer promptly if there is any need for further corrective action. Within ten days of receiving this notice the Customer must take this corrective action and notify the Company of the action taken. If the Customer fails to do this, the Company may take whatever additional action is deemed necessary, including the suspension of service, to protect its facilities, equipment and personnel from harm. The Company will, upon request 24 hours in advance, provide the Customer with a statement of technical parameters that the Customer's equipment must meet.

2.5 Payment Arrangements

2.5.1 Payment for Service

The Customer is responsible for payment of all charges for service and facilities furnished by the Company to the Customer or authorized Users. If an entity other than the Company imposes charges on the Company, in addition to its own internal costs, in connection with a service for which a Company Non-Recurring Charge is specified, those charges may be passed on to the Customer.

2.5.1.A <u>Taxes:</u> The Company is responsible for the payment of any sales, use gross receipts, excise, access or other local, state and federal taxes, charges or surcharges (however designated) excluding taxes on the Company's net income assessed in conjunction with services used. Any taxes imposed by a local jurisdiction (e.g. County and municipal taxes) will only be recovered from those Customers residing in the affected jurisdictions.

2.5 Payment Arrangements (Cont'd)

2.5.2 Billing and Collection of Charges

It shall be the responsibility of the Customer to pay any such taxes that subsequently become applicable retroactively.

- 2.5.2.A All payments for service are paid in advance and are due thirty days (30) from the date of installation and on the expiration of each subsequent thirty day (30) period. The Company mails statements to each customer during every billing cycle indicating the due date and the amount that is due.
- 2.5.2.B Customers may pay for services by cash or any cash equivalent, or, where technologically possible and in the Company's discretion, by credit card.

2.5.3 Disputed Bills

The Customer shall notify the Company of any disputed items on a bill.. If the Customer and the Company are unable to resolve the dispute to their mutual satisfaction, the Customer may file a complaint with the Commission in accordance with the Commission's rules of procedure. Complaints may be directed to the Company either orally or in writing by calling or writing to the address below.

2.5.3.A The date of the dispute shall be the date the Company receives sufficient documentation to enable it to investigate the dispute.

2.5.4 Discontinuance of Service

The Company may with notice discontinue service or cancel an application for service for any of the following:

- 2.5.4.A Upon nonpayment of any regulated amounts owing to the Company, and after 15days written notice of the amount due and 5 days written notice of disconnection.
- 2.5.4.B Upon violation of any of the other material terms or conditions for furnishing service,

2.5 Payment Arrangements (Cont'd)

2.5.4 <u>Discontinuance of Service (Cont'd)</u>

the Company may, by giving 15 days prior written notice and 5 day written notice of disconnection to the Customer, discontinue service if such violation continues during that period.

- 2.5.4.C Upon condemnation of any material portion of the facilities used by the Company to provide service to a Customer or if a casualty renders all or any material portion of such facilities inoperable beyond feasible repair, the Company, by notice to the Customer, may discontinue or suspend service.
- 2.5.4.D Upon the Customer's abandonment of service, the Company may, with prior notice to the Customer, immediately discontinue service.
- 2.5.4.E Violating federal, state or local laws or regulations through the use of service.
- 2.5.4.F The Company may discontinue the furnishing of any and/or all service(s) to a Customer:
 - 1. Immediately and without notice if the Company deems that such action is necessary to prevent or to protect against fraud or to otherwise protect its personnel, agents, facilities or services.
 - 2. The Customer provides false information to the Company regarding the Customer's identity, address, or use of services(s).
 - 3. The Customer uses, or attempts to use, service with the intent to avoid the payment, either in whole or in part, of the tariffed charges for the service by:
 - (a) Using or attempting to use service by rearranging, tampering with, or making connections to the Company's service not authorized by this tariff; or
 - (b) Using tricks, schemes, false or invalid numbers, false credit devices, electronic devices; or
 - (c) Any other fraudulent means or devices; or

2.5 Payment Arrangements (Cont'd)

2.5.4 Discontinuance of Service (Cont'd)

2.5.4.F (Cont'd)

- 4. After 15 days written notice to a Customer who has failed to pay any regulated sum within five (5) days of the date when payment was due;
- 5. Five (5) days after sending the Customer written notice of noncompliance with any provisions of this tariff if the noncompliance is not corrected within that five (5) day period.
- 2.5.4.G The discontinuance of service(s) by the Company pursuant to this Section does not relieve the Customer of any obligation to pay the Company for charges due and owing for service(s) furnished up to the time of discontinuance.

2.5.5 <u>Credit Allowance - Directory</u>

The Company shall allow, for errors or omissions in alphabetical telephone directories (excluding the use of bold face type), an amount within the following limits:

- 1. For listings in alphabetical telephone directories furnished without additional charge, an amount not in excess of the minimum monthly charge to the Customer for exchange service during the effective life of the directory in which the error or omission occurred.
- 2. For listings and lines of information in alphabetical telephone directories furnished at additional charge, an amount not in excess of the charge for that listing during the effective life of the directory in which the error or omission occurred.
- 3. For listings and lines of information records furnished without additional charge, an amount not in excess of the minimum monthly charge to the Customer for exchange service during the period the error or omission continued.
- For listings in information records furnished at additional charge, an amount not in excess of the charge for the listing during the period the error or omission continued.

2.6 Allowances for Interruptions of Service

When the use of service or facilities furnished by the Company is interrupted due to any cause other than the negligence or willful act of the Customer, or the operation or failure of the facilities or equipment provided by the Customer, a pro rata adjustment of the monthly Charges subject to interruption will be allowed for the service and facilities rendered useless and inoperative by reason of the interruption whenever said interruption continues for a period of 24 hours or more from the time the interruption is reported to or known to exist by the Company, except as otherwise specified in the Company's tariffs.

It shall be the obligation of the Customer to notify Company immediately of any interruption in service for which a credit allowance is desired by Customer. Before giving such notice, the Customer shall ascertain that the trouble is not being caused by any action or omission of the Customer within his or her control, or is not in wiring or equipment, if any, furnished by Customer and connected to Company's terminal. If the Customer reports a service, facility or circuit to be inoperative but declines to release it for testing and repair, it is considered to be impaired, but not interrupted.

2.6.1 Credit Allowances

- 2.6.1.A Credit for failure of service or equipment will be allowed only when failure is caused by or occurs in facilities or equipment owned, provided and billed for, by Company.
- 2.6.1.B Credit allowances for failure of service or equipment starts when Customer notifies Company of the failure or when Company becomes aware of the failure and ceases when the operation has been restored and an attempt has been made to notify Customer.
- 2.6.1.C For calculating credit allowances, every month is considered to have 30 days. A credit allowance is applied on a pro rata basis against the monthly Charges specified hereunder and is dependent upon the length of the interruption. Only those facilities on the interrupted portion of the circuit will receive a credit. Credit allowances for services outages that exceed 24 hours in duration will be rounded up to the next whole 24 hours.

2.6 Allowances for Interruptions of Service (Cont'd)

2.6.2 Limitations on Allowances

No credit will be made for:

- 2.6.2.A interruptions due to the negligence of, or noncompliance with the provisions of this tariff by, the Customer;
- 2.6.2.B interruptions due to the negligence of any person using the Company's facilities with the Customer's permission.
- 2.6.2.C interruptions due to the failure or malfunction of non-Company equipment;
- 2.6.2.D interruptions of service during any period in which the Company is not given full and free access to its facilities and equipment for the purpose of investigating and correcting interruptions;
- 2.6.2.E interruptions of service during a period in which the Customer continues to use the service on an impaired basis;
- 2.6.2.F interruptions of service during any period when the Customer has released service to the Company for maintenance purposes or for implementation of a Customer order for a change in service arrangements;
- 2.6.2.G interruption of service due to circumstances or causes beyond the control of the Company.

2.7 Cancellation of Service

2.7.1 Cancellation of Service Order

- 2.7.1.A Applications for new service are noncancellable unless the Company otherwise agrees or receives five days notice prior to the start of service or prior to any special constructions, no charges will be imposed except for those specified below.
- 2.7.1.B Where, prior to cancellation by the Customer, the Company incurs any expenses in installing the service or in preparing to install the service that it otherwise would not have incurred, a charge equal to the costs the Company incurred, less net salvage, shall

2.7 Cancellation of Service (Cont'd)

2.7.1 Cancellation of Application for Service (Cont'd)

apply, but in no case shall this charge exceed the sum of the charge for the minimum period of service ordered, including installation charges, and all charges others levy against the Company that would have been chargeable to the Customer had service begun.

2.7.1.C The special charges described in 2.7.1.A and 2.7.1.B will be calculated and applied on a case-by-case basis.

2.7.2 Cancellation of Service by a Customer

- 2.7.2.A To cancel or terminate service, a customer must provide the Company with 5 days notice.
- 2.72.B If a Customer cancels a Service Order or terminates existing services before the completion of the term of service for any reason whatsoever other than a service interruption (as defined in 2.6 above), Customer agrees to pay to Company the following sums which shall become due and owing as of the effective date of the cancellation or termination and be payable within the period set forth in 2.6.2, all costs, fees and expenses incurred in connection with:
 - 1. all Non-Recurring Charges reasonably expended by Company to establish service to Customer, plus
 - 2. any disconnection, early cancellation or termination charges reasonably incurred and paid to third parties by Company on behalf of Customer; plus
 - 3. all Recurring Charges for the applicable notice period.

2.8 Transfers and Assignments

Neither the Company nor the Customer may assign or transfer its rights or duties in connection with the services and facilities provided by the Company without the written consent of the other party, except that the Company may assign its rights and duties (a) to any subsidiary, parent company or affiliate of the Company; (b) pursuant to any sale or transfer or substantially all the assets of the Company; or 8 pursuant to any financing, merger or reorganization of the Company.

2.9 Notices and Communications

- 2.9.1 The Customer shall designate an address to which the Company shall mail or deliver all notices and other communications, except that Customer may also designate a separate address to which the Company's bills for service shall be mailed.
- 2.9.2 The Company shall designate an address to which the Customer shall mail or deliver all notices and other communications, except that Company may designate a separate address to which the Customer shall mail payment on that bill.
- 2.9.3 All notices or other communications required to be given pursuant to this tariff will be in writing. Notices and other communications of either party, and all bills mailed by the Company, shall be presumed to have been delivered to the other party on the third business day following deposit of the notice, communication or bill with the U.S. Mail or a private delivery service, prepaid and properly addressed, or when actually received or refused by the addressee, whichever occurs first.

SECTION 3 - SERVICE DESCRIPTIONS AND RATES

3.1 Local Exchange Service

The Company's Local Telephone Service enables the Customer to:

- -Place or receive calls to any calling Station in the local calling area,
- -Access basic 911 Emergency Service if available in the Customer's area;
- -Where available, place or receive calls to 800 telephone numbers;
- -access operator services; and
- -access long distance providers.

The Company's service can not be used to originate calls to other companies' caller-paid information services (e.g., 900, 976). The Company adopts the exchange map(s) and legal description(s) filed with the Commission by the incumbent local exchange carrier(s) whose services the Company resells. The Company's local calling area is identical to incumbent local exchange carriers as defined in their applicable tariffs.

3.1.1 Local Line

Local Line provides the Customer with a single, voice-grade communications channel. Each Local Line will include a telephone number. The following types of calls and services may be blocked by the Company: long distance; collect calls; operator-assisted calls; directory assistance calls; third number billed calls; or any service that may be billed to Customer's telephone number.

3.1.1.A Standard Features

Each Local Line Customer is provided with only basic local telephone service as defined in 3.1.1.

3.1.1.B Optional features:

Call Waiting
Call Return
Three-Way Calling
Caller ID Name & Number
Unlisted Phone Number
Long Distance

3.1 Local Exchange Service (Cont'd)

3.1.1.C Local Line Rates and Charges

A Local Line Customer will be charged applicable Non-Recurring Charges and monthly Recurring Charges as specified below.

1. Local Line

2.

<u>1000</u>	BIII		
A.	One-Time Activation Fee		
		offered rate	maximum rate
	One-Time Activation/Installation Fee	\$40.00	\$ 80.00
	Suspension Restoral Fee	\$20.00	\$ 40.00
	Conversion Fee	\$20.00	\$ 40.00
В.	Recurring Charges		
		offered rate	maximum rate
	Local Line - Monthly Recurring	\$53.50	\$107.00
	Extended Metro Calling	\$20.00	\$ 40.00
	Directory Assistance	\$.75**	\$ 2.25
	** Per directory assistance call		
Optic	onal Features		
A.	One-Time Activation Fee		
		offered rate	maximum rate
	Call Waiting	\$ 5.00	\$10.00
	Call Return	\$ 5.00	\$10.00
	Three-Way Calling	\$ 5.00	\$10.00
	Caller ID Name & Number	\$ 5.00	\$10.00
	Unlisted Number	\$ 5.00	\$10.00
В.	Monthly Recurring Charges		

	offered rate	maximum rate
Call Waiting	\$ 5.00	\$10.00
Call Return	\$ 5.00	\$10.00
Three-Way Calling	\$ 5.00	\$10.00
Caller ID Name & Number	\$10.00	\$20.00
Unlisted Number	\$ 5.00	\$10.00

3.2 Directory Listings

The Company shall provide for a single directory listing, termed the primary listing, in the telephone directory published by the dominant exchange service provider in the Customer's exchange area of the Station number which is designated as the Customer's main billing number.

- 3.2.1 The Company reserves the right to limit the length of any listing in the directory by abbreviations when, in its judgment, the clearness of the listing or the identification of the Customer is not impaired thereby. Where more than one line is required to properly list the Customer, no additional charge is made.
- 3.2.2 The Company may refuse a listing which is known not to constitute a legally authorized or adopted name, obscenities in the name, or any listing which, in the opinion of the Company, is likely to mislead or deceive calling persons as to the identity of the listed party, or is a contrived name used for advertising purposes or to secure a preferential position in the directory or is more elaborate than is reasonably necessary to identify the listed party. The Company, upon notification to the Customer, will withdraw any listing which is found to be in violation of its rules with respect thereto.
- 3.2.3 In order for listings to appear in an upcoming directory, the Customer must furnish the listing to the Company in time to meet the directory publishing schedule.
- 3.2.4 Directory listings are provided in connection with each Customer service as specified herein.

3.2.5 Non-Recurring Charges

Non-Recurring Charges associated with Directory Listings are as follows:

Non-Recurring

Primary Listing (one number)

No Charge

3.2.6 Recurring Charges

Monthly Recurring Charges associated with Directory Listings are as follows:

Monthly

Primary Listing (one number)

No Charge

3.3 Emergency Services (Enhanced 911)

Allows Customers to reach appropriate emergency services including police, fire and medical services. Enhanced 911 has the ability to selectively route an emergency call to the primary E911 provider so that it reaches the correct emergency service located closest to the caller. In addition, the Customer's address and telephone information will be provided to the primary E911 provider for display at the Public Service Answering Point (PSAP).

3.4 <u>Promotional Offerings</u>

The Company may from time to time engage in Special Promotional Offerings or Trial Service Offerings limited to certain dates, times or locations designed to attract new subscribers or increase subscriber usage when approved by Commission. These may include waiving or reducing the applicable charges for the promoted service. Company will not have special promotional offerings for more than ninety (90) days in any 12 month period. In all such cases, the rates charged will not exceed those specified in Section 4 hereof. Five (5) days prior to implementing a special promotional offering, the Company will provide the Commission with written notice of the terms and conditions, including the duration of the special promotional offering.

3.5 Customer Service

Customer service is available 24 hours a day, seven days a week by calling 800-350-4009 or writing the Company at 2997-LBJ Freeway, Suite 225, Dallas, Texas 75234. The Company's administrative offices may be reached at 972-488-5500.

3.6 Repair Service

The Company provides and maintains service to the point of demarcation. The Customer is not responsible for any charges associated with or related to maintaining service to the point of demarcation. In the event that the Customer reports service trouble to the Company and it is subsequently determined that the problem/failure of the service is located at a point in the network beyond the point of demarcation, the Customer is responsible for any and all charges incurred by the Company in isolating and/or repairing the service.